

Global Trade

As a mill worker for 29 years at the Great Northern Paper Company, Mike knows the devastating effects that years of unfair trade has had on Maine and the nation as a whole. He believes we must find a way to promote fair labor and environmental standards abroad so that Americans can compete on a level playing field. In addition, he believes we must develop an entirely new trade model that is fair for workers everywhere. As co-founder and chair of the House Trade Working Group in Congress, Mike is committed to leading the charge for fairer U.S. trade deals.

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- U.S. Trade and Development Agency
- Office of the United States Trade Representative
- Maine International Trade Center

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The House Trade Working Group

Mike and Congresswoman Linda Sánchez formed the House Trade Working Group in the 110th Congress to fight for fairer trade policy. Members of Congress from both parties and outside organizations, who represent American workers, consumers, and businesses, are active participants in the group. The group has pushed forward-looking trade policy and has organized efforts against unfair trade deals. The House Trade Working Group organizes press conferences, briefings, letters, and other initiatives to fight for fairer trade agreements. Mike has received the United Steelworkers highest legislative award, the Wellstone Award, for his leadership on trade. In addition, Mike has received the U.S. Business and Industry Council Award for his fight to save American manufacturing jobs

- Michaud Urges New Direction for WTO Trade Talks (11/18/09)
- Michaud Meets with USTR on Trade Agenda (7/8/09)
- 54 House Members Send Letter to President Obama (2/26/09)

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The TRADE Act

Mike first introduced the Trade Reform, Accountability, Development and Employment (TRADE) Act in the summer of 2008 in the 110th Congress. He reintroduced the legislation in the 111th Congress with 106 of his colleagues. More than half of the Democratic Caucus and some Republican representatives have since signed on, signaling to congressional leadership and the White House that a new trade policy is needed.

Mike worked with an array of labor, environmental, consumer, faith and family farm organizations to develop a bill that presents a vision of what a good trade agreement should include. The TRADE Act requires a review of existing trade agreements, and a renegotiation of four existing trade agreements based on that review.

The TRADE Act represents a tremendous step forward in fixing America's broken trade policies, and it defines a new foundation for trade policy that will benefit U.S. businesses and workers in Maine and across the nation. To review the full text of the TRADE Act, [click here](#). For additional highlights of the bill, including a summary, [click on the press release below](#):

- 106 Members of Congress Introduce TRADE Act; Promote a Better Trade Model (6/24/09)

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Trade Deficit

The U.S. trade deficit figures show an ever-widening gap between our nation's imports and exports. Over the past eight years, the United States has been registering record trade deficits. Just between October and November 2009, the U.S. trade deficit increased from \$33.2 billion to \$36.4 billion. Our trade deficit with China is particularly troubling. It has increased from \$83.8 billion in 2000 to more than \$200 billion in 2009, more than doubling over the last decade. The trade deficit grew to more than 6% of our GDP in 2008, which represents a serious impediment to our national economic growth.

Mike believes that we must take a multi-faceted approach to addressing this trade imbalance. He believes we must address the discrimination of the value-added tax structure (VAT) under the World Trade Organization. Value-added taxes effectively subsidize foreign exports and penalize American goods and services in both our home market and foreign markets. Mike has introduced bi-partisan legislation, the Border Tax Equity Act, H.R. 2927, with his colleagues to address this tax that burdens American businesses.

Mike also supports the End the Trade Deficit Act, H.R. 1875, which establishes an "Emergency Commission to End the Trade Deficit" and places a moratorium on new Free Trade Agreements until the Commission has issued a final report and Congress has conducted hearings on the Commission recommendations.

- OP-ED: Foreign Value Added Tax (VAT) Systems Unfairly Disadvantage U.S. Automakers and Their Parts Suppliers (12/11/08)

- U.S. Trade Deficit Ticker

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Competitiveness Task Force

Mike was asked by congressional leaders to co-chair the Competitiveness Task Force with Congressman John Yarmuth from Kentucky. The mission of the Task Force is to educate individuals on the role our federal government should play in strengthening our nation's economic competitiveness in critical industries, including but not limited to, manufacturing, high tech, and biotechnology.

Mike hopes to use this Task Force to raise awareness among his colleagues of the need to have a national strategy to protect and build our manufacturing base as well as a set of policies that promote and advance U.S. competitiveness.

- Michaud Joins Bipartisan "Jobs Now" Caucus; Tapped to Lead Congressional Task Force on Competitiveness (12/16/09)

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Fair Currency

Since 1994 the Chinese government has actively manipulated its currency, a practice deemed illegal under existing international trade law. This practice effectively subsidizes Chinese goods and disadvantages American companies who cannot compete with below-market prices. Mike helped introduce the Currency Reform for Fair Trade Act, a bipartisan bill designed to address our trade imbalances. This legislation would add currency manipulation to the list of unfair trade practices actionable under U.S. trade law. Domestic American manufacturers could file currency complaints against China with the U.S. International Trade Commission (USITC) and seek sanctions on Chinese products until the illegal practice is ended.

In addition, Mike has urged the USTR to consider China's currency manipulation as an illegal subsidy and investigate it accordingly. He wrote a letter to the Department of Commerce asking that they proceed with this investigation as a part of a countervailing duty investigation brought forward by Sappi Fine Paper North America and NewPage Corporation. Addressing this issue is a top priority for Mike. He believes it is imperative that Maine companies and American firms aren't forced to downsize or close their doors because China's currency is unfairly undervalued.

- Michaud and Pingree Urge Increased Scrutiny of China Currency Manipulation (1/21/10)

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Expanding Trade Adjustment Assistance

In the 110th Congress, Mike was an original co-sponsor of H.R. 3920, the Trade and Globalization Assistance Act. This important legislation expands and improves Trade Adjustment Assistance (TAA), which provides job training and other assistance to workers who have been laid off due to trade, including extending it to service workers and to more manufacturing workers. While H.R. 3920 received bipartisan support and passed the House by a vote of 264-157, it is never passed the U.S. Senate. However, many of the provisions of the Trade and Globalization Assistance Act were included in the American Recovery and Reinvestment Act (H.R. 1), which became law on February 17, 2009.

Mike is a strong advocate for full funding of all of the TAA programs, including TAA for Workers, TAA for Firms, and the new TAA for Communities program, which will allow areas of Maine to receive federal funding to develop a strategy to diversify and strengthen their economy.

- Michaud Announces Assistance for J & M Machining in Skowhegan (2/3/10)
- Workers at Fraser Papers in Madawaska Now Eligible for Assistance (10/15/09)
- "How To" Manual on Trade Adjustment Assistance in the Recovery Act (addresses TAA for workers, firms, farmers, and communities)
- U.S. Department of Labor Fact Sheet on TAA

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Personal Exemption Allowance

Mike believes the disparity in the personal exemption (duty-free) allowance hurts American businesses because visitors from Canada and Mexico can't buy as many of our goods while they are in the United States as we Americans can buy while in their country. This inconsistent system puts American businesses at a competitive disadvantage to Canadian and Mexican retail businesses located on or near the border. Mike has introduced legislation that would urge the Treasury Department to negotiate parity in the personal exemption allowance.

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